A GATHERING PLACE: A Proposed Model for Developing Sustainable Community Centers in Rural Alaska

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www.agnewbeck.com | 441 West 5th Avenue Anchorage, AK 99501 | 907 · 222 · 5424

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PROJECT SUMMARY

PURPOSE OF THIS REPORT

For decades rural Alaskan communities have been clear about their desire for multi-purpose spaces where they can gather for large-group events and provide needed programming and services to benefit the health and well-being of the community at large. The path communities should take to enable them to envision, plan, design, create and manage such a space is much less clear. Further, organizations and agencies charged with promoting sustainable development in rural Alaska lack a coherent formula for measuring the likelihood of a community center project's success. The intent of this report is to investigate and describe existing rural Alaskan community center facilities and, ultimately, attempt to define a successful model for future facilities.

METHODOLOGY

For this study, a representative pool of rural Alaska multi-purpose facilities was identified. Facilities were considered "community centers" if they:

1. Contained some type of multi-purpose community meeting space (such as a conference room or meeting hall or even a computer lab or rec room), that could be used by non-tenants of the facility, and

2. Contained a mix of uses.

Schools and clinics were generally excluded from the study unless those uses were combined with other spaces that were distinct from the clinic or school (e.g., New Stuyahok combined clinic and family resource center).1 Twenty-two communities were contacted and 16 centers in 14 different communities were ultimately interviewed. Centers were chosen to represent a mix of uses, including uses such as: clinic, fire station/emergency response facilities, cultural facilities/museum, program offices, community gathering/recreational space, kitchen, post office, etc. Centers were also chosen to represent a wide geographic distribution in rural areas across the state, avoiding more urbanized areas and communities located on the road system to the extent possible.

Interviews were conducted with administrative contacts for each of the centers; a few communities were non-responsive. To the extent possible, information given in interviews was fact-checked against secondary sources (e.g., budgets submitted, grant application or award documentation). Community demographic information was obtained from the Alaska Department of Labor and Workforce Development, Research and Analysis Section; the Alaska Department of Commerce, Community, and Economic Development Division of Community and Regional Affairs; and the United States Census Bureau 2010 US Census and 2005-2009 American Community Survey 5-Year Estimates.

[1] Though they were excluded, schools and clinics potentially offer communities a unique opportunity to create a community center by leveraging clinic/school capital and operational funding. The potential benefit of such a model is increased sustainability for the facility and on community-wide level. To date, this model has not been tried often, and does therefore create some complexities in determining the best process to combine these uses effectively.

HOW TO USE THIS REPORT

This report contains the following sections:

- **Summary of Findings** – overview of a sustainable community center model
- **Community Profiles** – summary of demographic information about the 15 communities surveyed (more detailed demographic information is available in Attachment A, "Community Profile Data." Detailed information on the community facilities is included in Attachment B, "Facility Case Studies.")
- **Spatial and Financial Analysis** – description of the mix of spaces located within community centers and analysis of the operating and capital costs for a subset of community centers
- **The Sustainable Community Center Model** – a description of the model, including a checklist of key components for success as well as pitfalls that can lead to failure.

Feedback on this report or requests for more information should be sent to Chris Kowalczewski at cKowalczewski@forakergroup.org or Ellen Campfield Nelson at ellen@agnewbeck.com.

SUMMARY OF FINDINGS: THE BASIC MODEL

The basic model for a successful community center describes four main elements:

1. Capacity
2. Operations and Programming
3. Building and Site Design
4. Capital Financing

A summary of findings for each element is provided below. Detailed descriptions are included in the Sustainable Community Center Model section of the report.

1. CAPACITY

Ownership and Management Capacity

In nearly every community interviewed, the city or tribe owns and operates the multi-use community facility. Especially in smaller communities, the city or tribe is often well positioned to own and operate the building, since they already have administrative and maintenance capacity and responsibility for other facilities.

Resourceful, Determined Leadership

Good leadership is probably the most important determining factor for community facility success. Facility managers must be resourceful and entrepreneurial enough to find new tenants/uses or reconfigure space as programming and space needs change over time, respond to neighborhood/community concerns, and obtain the resources to cover operating and capital costs. Successful centers are run by dedicated people with strong administrative skills and benefit from tenants and janitorial staff who quickly and effectively identify and respond to maintenance concerns.

2. OPERATIONS AND PROGRAMMING

Needs Assessment and Pre-Development

Successful facility mangers do their due diligence about potential tenants and uses first. They either act as the anchor tenant themselves (e.g., city or tribal offices) or negotiate a long-term lease(s) with a financially reliable tenant(s) (e.g., health clinic). For uses such as providing lodging or meeting spaces, they do the market research to make sure they can be competitive with other options in the community, and capitalize on unique facility amenities. Communities that have existing or identified programming that will be slotted into the center succeed, while communities that create a facility and then work to build programs struggle.

3. BUILDING AND SITE DESIGN

Efficient, Flexible Design

Facilities that are designed to be adaptable to the changing needs of the community and can react to changes in the local economy have better long-term financial security. And investing in energy-efficient design also contributes to long-term financial sustainability. Rural community centers should generally be designed to have the smallest possible footprint that will still allow the spaces to function as needed.

Central Location

Successful centers tend to be social hubs: they are centrally located in the community; they host a variety of events and programming, and are staffed by people well-liked in the community. People visited the facilities as much to socialize with other community members as to utilize the services housed within them. Multiple examples benefitted from being located adjacent to a school. Facilities also benefit from energy efficient design or improvements to minimize utilities and keep operational costs down, and from a moderately-sized flexible building design that allows facility uses to change over time in response to community needs.

4. CAPITAL FINANCING

Public and Private Revenue Streams

In some cases, the facility is funded primarily or entirely by tax dollars and grant funding. In others, the facility's operating costs are met or exceeded by rental income from some combination or medium- or long-term tenants, hourly space rentals (meeting or event space), and/or guest lodging or apartment rental. Some communities rely on a combination of public and private revenue sources to maintain the building.

Long-term tenants provide financial stability and help take good care of the premises. Lodging/guestrooms can bring in substantial revenue: in smaller communities there tend to be few if any other lodging options, and as a governmental entity, the city or tribe is well-positioned to market the facilities to itinerant professionals working in the community.

The hourly meeting space rentals must be competitive where there are other options. Often these are run more as a public service with a nominal fee rather than a revenue generator; they might be offered as an amenity to professionals staying in the guest rooms (for a nominal fee or without charge). Multiple facilities considered a commercial kitchen to be a highly desirable amenity; commercial kitchens can be a great resource for communities, but are more costly to include. Care should be taken to ensure the investment is worthwhile.

COMMUNITY PROFILES

The 14 different communities included in this study met a loose definition of "rural," that was deemed useful for the purpose of defining the successful community center model. "Rural," in this context means that communities have small year-round populations (between 25 and 2,500 people) and they have limited access (access is by air taxi, boat or rural road). Additionally most communities have a higher-than-average rate of poverty and/or unemployment.

POPULATION OVERVIEW

Population trends are summarized in the list and table below.

- Age
  The average median age of residents across all the communities is 33 years old, although the communities are firmly split between towns with very young populations (under 30) and towns with aging residents (over 40). In nine of the communities at least one-third of residents are under 19 years of age, and 12 of the communities have median ages between 21 and 29. The remaining communities had median ages between 41 and 55.

- Trends
  Between 2000 and 2011, the population increased in eight of the communities, decreased in four of the communities, and stayed about the same in two of the communities. The communities with younger residents were more likely to have increasing populations, suggesting that population growth is primarily attributed to higher birth rates and not to net migration. Detailed information by community can be found in Table 1, and a distribution of median ages and of population trends and other additional information can be found in Attachment A.

- Race/Ethnicity
  Ten of the fifteen communities that were surveyed are predominantly Native Alaskan. Kachemak, Eagle Village, and Eyak-Cordova were the only communities with predominantly white residents. A variety of Native Alaskan groups are represented across these communities, including Alutiiq, Athabascan, Nunamiut Eskimo, and Yu'pik Eskimo.

Table 1: Population Trends by Community

Community	Region	2011 Population	Pop. Trend (since 2000)	Median Age (yrs)	Primary Native Group
New Stuyahok	Bristol Bay	510	increasing gradually	22.6	Yu'pik Eskimo
Togiak	Bristol Bay	817	increasing gradually	24.5	Yu'pik Eskimo
Kennecott-McCarthy	Copper River	28	decreasing significantly	48	n/a
Eagle Village	Interior	67	constant	46.5	Athabascan
Minto	Interior	210	increasing gradually	29.6	Tanana Athabascan
Kachemak	Kenai	472	constant	54.2	n/a
King Cove	Lake + Peninsula	938	increasing significantly	41.2	n/a
Nondalton	Lake + Peninsula	164	decreasing gradually	28.8	Tanaina Indian (Athabascan and Iliamna)
Anaktuvuk Pass	North Slope	324	increasing gradually	27	Nunamiut Eskimo
Eyak-Cordova	Prince William Sound	2239	decreasing gradually	42.2	Eyak Athabascan
Kwinhagak	Y-K	669	increasing gradually	24	Yu'pik Eskimo
Marshall	Y-K	414	increasing gradually	21.3	Yu'pik Eskimo
Tuluksak	Y-K	373	decreasing gradually	26.6	Yu'pik Eskimo
Upper Kalskag	Y-K	219	increasing gradually	25	Yu'pik Eskimo

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section; U.S. Census Bureau

ECONOMIC OVERVIEW

Economic trends are summarized in the list and table below.

- **Employment**
  Local government is the sector that employs the highest percentage of the population in all communities surveyed.2 Approximately 46 percent of the combined population of all communities surveyed worked in this sector. In coastal communities, commercial fishing operations also employ a significant number of residents. Subsistence lifestyles provide food and supplemental income and resources as well. The village of Marshall was the only community in our sample with residents employed in the military (4 people, or 1.5% of the population). For a more detailed breakdown of employment by community for some of the largest industries, see Attachment A.

- **Income**
  All but two of the communities included in this study have markedly higher unemployment rates than the state and national average. Kachemak and King Cove enjoy lower than average unemployment rates. Similarly, all but three communities – Eyak-Cordova, Kachemak, King Cove – have poverty rates higher than the state average.

CORRELATIONS AMONG THE DATA

The following interesting correlations can be made from the economic and population data:

- Small, rural communities are able to sustain community centers despite having high levels of unemployment and people living at or below the poverty line.
- Predominately Alaska Native communities tend to have younger populations than predominately white communities; this often correlates with very different types of community centers in each of the two types of communities.
- Communities with older average populations tend to have older community centers, or tend to have a stronger economic profile. This suggests two scenarios: (1) communities with younger populations and increasing population trends may see more of a need to establish a community center, and (2) communities with more robust economies may retain residents longer and/or have better operational funding streams and operational capacity to construct and manage new community facilities.

[2] In McCarthy, "local government" was even with "trade, transportation and utilities" and "professional and business services" as the highest-ranking employment sectors.

SPACE + FINANCIAL ANALYSIS

Community centers vary in size, types of space and cost to construct and operate. At the same time, there are some recurring characteristics shared by most centers. This section provides more detailed financial information on six different community centers to demonstrate both the array of possibilities and the commonalities among facilities.

SPATIAL COMPARISON

There were several space types common to most community centers, and almost all community centers had a mix of uses. The most common uses among the centers studied are meeting space and office space (see chart 1 below). Youth-related and health-related spaces were also common. "Health-related space" could include primary care facilities (such as a clinic) or public health and wellness facilities (such as public health office). Youth space could include a child care facility or other youth-related programming space. For more detailed information on space types, see chart 2 below.

Chart 1: Spaces Matrix

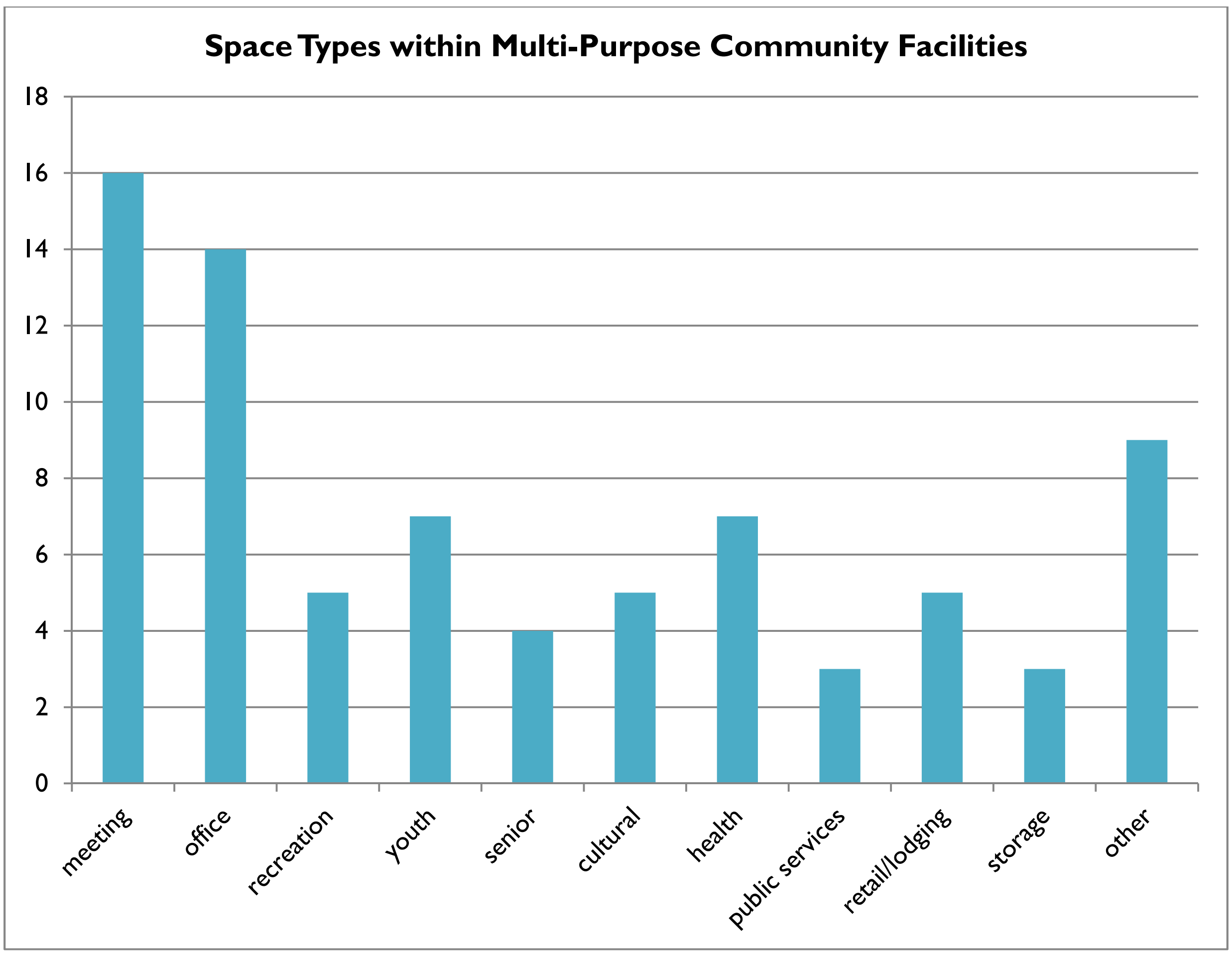

Chart 2: Space Types by Community Needs

Community	Space Types										
	meeting	office	recreation	youth	senior	cultural	health	public services	retail/lodging	storage	other
New Stuyahok (Bristol Bay)							X				
Togiak (Bristol Bay)	X	X					X		X		X (UAF mini campus)
Kennecott-McCarthy (Copper River)	X		X			X					X (projection room with large screen)
Eagle Village (Interior)											
Gulkana (Interior)											
Minto (Interior)	X	X	X	X	X	X	X		X		
Kachemak (Kenai Penin)	X	X						X		X	
Kachemak (Kenai Penin)	X	X									
King Cove (Lake + Pen)		X	X	X	X				X		
Nondalton (Lake + Pen)	X	X									
Anaktuvuk Pass -City (North Slope)	X	X									
Anaktuvuk Pass - Museum (North Slope)	X		X		X	X			X		
North Slope	X	X									
Eyak (PWS)		X		X	X	X	X	X			X
Bethel (Y-K)	X	X	X	X		X			X		X (library and computer lab)
Marshall (Y-K)	X	X						X		X	X (shower facility, restrooms, kitchen)
Quinhagak (Y-K)											X (Headstart)
Tuluksak (Y-K)	X	X		X			X				X (post office)
Upper Kalskag (Y-K)	X	X					X				X (post office)
	15	14	5	6	4	5	7	3	5	3	9

FINANCIAL COMPARISON

The table below illustrates common financial data as reported by staff from six of the community centers. The centers included below range from primarily recreational or community centers, to multi-purpose facilities with specialized uses (e.g., museum, clinic). The purpose of this comparison is to demonstrate the range of possible operating and capital costs that can be expected when constructing and managing such a facility. For more detailed information, please see Attachment C, "Financing Comparison of Four Community Centers."

Center	Facility A	Facility B	Facility C	Facility D	Facility E	Facility F
Date built/renovated	2007	2008/2009	2004	2007	2011	2011
2011 Population*	938	219	817	2,239	510	324
Building size (sf)	40,000	8,300	6,714	4,800	5,400**	4,306
Total operating annual budget (year)	$200,000 (2012)	$73,135 (2012)	$65,058 (2011-2012)	$187,000 (2012)	$202,942 (2007)**	$168,000 (2011)
Operations costs/sf	$5.00	$8.81	$9.69	$38.96	$37.58	$39.02
Capital costs	--	--	$1,464,145	$3,620,000	$4,882,642**	--
Capital costs/sf	--	--	$218.07	$754.17	$904.19	--

* 2011 Population Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section.
** Estimates provided by the center for 2007-2008 grant applications.
All other information from interviews with individual centers.

Types of Typical Operating Costs

Of the centers interviewed that were able to give detailed information on their operating budgets, the most common categories of expense items, in order of magnitude from greatest to smallest, are:

- Salaries, wages, benefits and payroll taxes (when included in operating costs)
- Utilities (e.g., telephone, electricity, water and sewer, fuel oil)
- Maintenance and repairs
- Supplies (e.g., postage, copier, other) and equipment
- Insurance
- Travel

One of the facilities includes a line item for a renewal and replacement fund in the operating budget. Most other centers did not report this line item, but it is considered a best practice.

Some centers include staffing costs in their operational expenses when staff is assigned to specific programs or duties that are specific to the community center. Other centers that were operated by government entities such as a city, tribe or borough did not include staffing or maintenance as part of the facility's budget, but these costs were covered elsewhere, e.g., through the general budget.

THE SUSTAINABLE COMMUNITY CENTER MODEL

The basic model for a successful community center describes four main elements:

1. Capacity
2. Operations and Programming
3. Building and Site Design
4. Capital Financing

These elements are described in detail below.

1. COMMUNITY CAPACITY

Ownership and Management Capacity

Successful facilities are supported by communities with strong local administrative capacity, particularly in the lead organization responsible for pre-development, managing the process and building (facility owner/manager). Successful facility administration requires skills in grantsmanship, facility management, bookkeeping, project management and financial planning. For community facilities that rely on rental income, negotiating medium- and long-term lease agreements are a key to successful long-term operations. During the pre-development phase, coordinating the timing of funding among project partners/tenants can be challenging; some potential partners/tenants will be able to raise money quickly, while others cannot.

In nearly every community interviewed, the city or tribe owns and operates the multi-use community facility. Especially in smaller communities, the city or tribe is often well positioned to own and operate the building, since they already have administrative and maintenance capacity and responsibility for other facilities Whoever the owner/manager, experience with administering programs, funding and managing buildings and personnel is necessary. Building management can be strengthened by having an Operations and Maintenance (O&M) Plan/Manual in place. The ICDBG, a federal grant program, requires grant applicants to have an adopted O&M plan and to describe how the Plan addresses key items: Maintenance and Repairs, Insurance, Replacement Reserves and Security (although insurance and security are not required for public infrastructure, e.g., water pipes, roads).

Of the communities interviewed for this project, none of the facilities were co-owned or co-managed by the City and Tribe jointly. All buildings had a primary owner-operator, and may have received support from other civic entities via rental income, MOU/MOAs, contributions of funding or in-kind donations. Co-ownership or management requires additional coordination. Having multiple partners can result in synergies and cost savings, but it can also make decision-making more difficult and time-consuming. In cases of co-ownership/co-management, it is critical that roles and responsibilities are clearly articulated upfront. A memorandum of understanding (MOU) detailing fair, clear, written, legally-binding explanations of the partners' roles, responsibilities, privileges and obligations during the process to fund, design and build the facility, as well as once the facility is built and partners and/or tenants take occupancy, should be signed by all partner agencies and organizations upfront.

Case studies/examples: King Cove Multi-Use Community Center, Togiak Family Resource Center, New Stuyahok, Kalskag Multi-Use Community Center

Resourceful, Determined Leadership

Good leadership is probably the most important determining factor for community facility success.

Facility managers must be resourceful and entrepreneurial enough to find new tenants/uses or reconfigure space as programming and space needs change over time, respond to neighborhood/community concerns, and obtain the resources to cover operating and capital costs. Successful centers are run by dedicated people with strong administrative skills and benefit from tenants and janitorial staff who quickly and effectively identify and respond to maintenance concerns.

Case studies/examples: City of Kachemak Fire Hall, Togiak Family Resource Center, Quinhagak Youth and Multi-Purpose Center, Kalskag Multi-Use Community Center, Anaktuvuk Pass Simon Paneak Memorial Museum, North Slope Borough Liaison and Teleconference Centers

Needs Assessment and Pre-Development

Successful community centers are built and maintained because there is strong community support for the facility and services it houses (not, for example, because funding happens to be available or some outside entity has persuaded the community to have a multi-purpose community center). Facility development is generally a multi-year process that includes several potentially complicated steps – pre-development, fundraising, design, renovation/construction, move-in. Communities that understand the general timeframe and steps entailed have an easier time sustaining projects. Residents, tenants, etc. should be included throughout. Communities that avail themselves of facility development resources and network with other communities who have completed a similar process are more likely to succeed. And communities that receive regular technical support throughout the process have an easier time staying on track. Once the facility is in operation, frequent community use and support for the center and the services it houses are the key to keeping it going, particularly for facilities that are subsidized or funded by the community (e.g., through tax revenue).

Successful facility mangers do their due diligence about potential tenants and uses first, focusing on meeting community needs and basing the project on supported community priorities. Community needs and priorities should be demonstrated through comprehensive or strategic planning, capital improvements priority lists, community wellness plans, and other similar documentation. The owner/manager entity either acts as the anchor tenant themselves (e.g., city or tribal offices) or negotiates a long-term lease(s) with a financially reliable tenant(s) (e.g., health clinic). Ideally, a firm or provisional commitment would be obtained during pre-development from anchor tenants before moving the project forward.

For uses such as providing lodging or meeting spaces, successful facility owners/managers do the market research to make sure they can be competitive with other options in the community, and capitalize on unique facility amenities. For example, if the facility includes rooms for overnight lodging, are there other lodging options in the community? How much do they cost and how often are they booked? Does the facility have an amenity (e.g. commercial kitchen) that would distinguish it from other similar rentals? Doing this type of research is necessary to gain a more realistic estimate of the potential rental income.

Communities that have existing or identified programming that will be slotted into the center tend to succeed, while communities that create a facility and then work to build programs tend to struggle. Applicants can demonstrate that they have established programming through a business plan and pre-negotiated partnership agreements. Engaging in a pre-development process helps ensure critical questions are addressed, such as: As part of a grant application, does the community have a well-thought out plan for how the facility will be used? Have potential tenants signed any letters of commitment, provisional commitment, or secured an option for renting space in the proposed facility? Would they be willing to do so if certain identified elements were in place? For new programs/organizations/businesses to be housed in the facility, can the community provide documentation or evidence that the program has demonstrated ongoing activities or accomplishments? For example, a recreation program might be looking at building a gym facility, but the gym should not be the element needed to create the recreation program. The program itself can be in operation, organizing community recreation events or supervised activities that do not require a specialized facility.

Case studies/examples: Togiak Family Resource Center, Kalskag Multi-Use Community Center, Kennecott Recreation Hall, King Cove Multi-Use Community Center, Nondalton Community Center

Community Size and User Base

While every case is unique and deserves due consideration, a community with less than about 100 residents is likely to have difficulty sustaining a dedicated community center and a community with less than 50 residents likely faces too many barriers to realistically consider sustaining such a facility. Nuances effecting the appropriate-sized community include answering questions such as: Does the applicant have projections for how many people will use the services housed in the facility (e.g., number of TANF recipients in the community if a TANF office is going to be a tenant) or participate in the programming (e.g., number of school-age children that would likely use youth center facilities)? Has the applicant looked at the community's population and income trends? Is the number of potential users increasing or decreasing (e.g., young people if there is a youth center component, elders if there is an elder center component, income trends if a public assistance office, rates of domestic violence if a shelter is involved)? Is the community large enough to sustain a center? Will the users be a source of revenue for the facility?

2. OPERATIONS AND PROGRAMMING

Tested Operational Models

The survey identified three basic operational models for sustainable community centers:

1. The public facility model.
2. The community has a source of steady public funding, such as tax revenue or tribal government revenue it can use to operate the center. In some cases this funding may come from private revenue, for example from a regional or village corporation that commits long-term operational funding for the center.
3. The rental income model.
4. The facility's operating costs are met or exceeded by rental income from some combination of medium- or long-term "anchor" tenants, hourly space rentals (e.g., meeting or event space), and/or guest lodging or apartment rental that will generate a majority of operating revenue. This model may be supplemented with other commercial ventures that earn revenue such as a bingo hall, coffee shop, fee-for-service enterprise or retail store.
5. The public/private model.

Some communities rely on a combination of public and private revenue sources from both models to operate the building, such as a combined clinic/community center.

If the facility design has been based on community needs to provide space for existing or developing programs, the operational model should follow easily. Likewise, if program partners have been involved along the way in the development of the community center, they will be committed sources of operational funding for the facility.

Developing an operations budget and program plan (or combining these into a facility business plan) defines which operational model best suits any particular situation.

Case studies/examples: Togiak Family Resource Center, Minto Lakeview Lodge, North Slope Borough Liaison and Teleconference Centers, King Cove Multi-Purpose Facility, City of Kachemak Fire Hall, Kalskag Community Multi-Purpose Center, New Stuyahok Family Resource Center

Financially Reliable Anchor Tenants and Anchor Uses

About two-thirds of the building's operations costs should be met by a reliable stable funding source (e.g., city office, anchor tenant). Long-term tenants provide financial stability and help take good care of the premises. Lodging/guestrooms can bring in substantial revenue: in smaller communities there tend to be few if any other lodging options, and as a governmental entity, the city or tribe is well-positioned to market the facilities to itinerant professionals working in the community.

The hourly meeting space rentals must be competitive where there are other options. Often these are run more as a public service with a nominal fee rather than a revenue generator; they might be offered as an amenity to professionals staying in the guest rooms (for a nominal fee or without charge). Multiple facilities considered a commercial kitchen to be a highly desirable amenity; commercial kitchens can be a great resource for communities, but are more costly to include. Care should be taken to ensure the investment is worthwhile.

For income-generating uses (e.g., guestrooms or meeting space for event rentals), a market analysis should be done to ensure that the facility can offer competitive rates with comparable facilities in the area. In communities with successful facilities, major occupants were involved throughout the planning and development process. Successful communities often obtained commitments from major (medium- or long-term) tenants during the pre-development phase. Occupant space needs (especially long-term tenants/occupants) should be reflected in the facility design

Innovate

While the above models are tested, there are many permutations, and possibly even new ways of financing community center projects that have yet to be tried. Communities should be prepared to think of innovative solutions to address capital and operational financing to make their projects work. Many of the successful multi-use community centers met operating costs in part or entirely through earned income, such as lease income from long-term tenants, rates charged for hourly rentals (for events) or overnight stays (in guest rooms), gift shop revenues and admissions (if the facility includes a museum component), individual and corporate donations, proceeds from an endowment, annual committed contributions from local organizations and corporations, etc. They capitalized on unique amenities and opportunities.

Case studies/examples: Kennecott Recreation Hall, Togiak Family Resource Center, King Cove Multi-Use Facility, Minto Lakeview Lodge, City of Kachemak Fire Hall and McNeil Canyon Fire Station and Community Hall, Anaktuvuk Pass Simon Paneak Memorial Museum

Partnerships

Successful communities make sure the partnership will work for all parties through strategic partnerships and by establishing a workable governance strategy once partners have committed to the project. It might be tempting to involve potential partners because they have money and other resources to offer. While partnerships often result in cost savings they may also limit local control over facility use, management and operations. Major project partners such as government agencies can bring much-welcomed resources to bear on the facility (e.g., ownership of the land and buildings, taking responsibility for maintaining and managing the facility). However, as a community facility, local control over the multi-purpose facility's uses, hours of operation, and other facility management concerns can be important to a community. If project partners have ownership or in some other way largely control the design, maintenance and ongoing management of physical facility, the community's ability to influence these factors can be limited.

Successful centers usually have one entity that assumes ownership and responsibility for the facility. Other stakeholders have a meaningful and ongoing way of assisting with management and decision-making strikes the right balance between ownership and community support. This can be done through partnership agreements (i.e., MOUs) for financial contributions, maintenance and upkeep support, cost-sharing arrangements, etc. Clearly outlining management strategies at the beginning can mitigate conflict down the road. While operating on a "handshake and a nod" may suffice initially, relationships need to be documented and made official in order for them to be sustainable. It is important to establish these partnership agreements early in the process so that over time relationships are maintained even when turnover occurs.

Setting up a partnership entity whose board is comprised of owner/manager representatives is another scenario that has been used successfully in some places. However, this arrangement can be complicated to manage and presents numerous potential pitfalls if the partners do not have a proven, functional working relationship.

Case studies/examples: Kennecott Recreation Hall, Bethel Yup'iit Piciryarait Cultural Center, Library, and Museum, Anaktuvuk Pass Simon Paneak Memorial Museum, Kalskag Community Multi-Purpose Center

3. BUILDING AND SITE DESIGN

The following aspects of building and site design apply whether or not the facility is proposed as a renovation or new construction project. While in some ways it can be a more straightforward and perhaps even lower-cost prospect to construct a new facility, burdening communities with additional buildings to maintain can overtax both management and financial capacity. The decision to construct versus renovate should be examined within the larger context of community-wide capacity to afford additional facilities, as well as the long-term consequences of contributing to the problem of rural sprawl. Wherever possible and practical, the preference should be to rehabilitate and repurpose existing facilities and infill, rather than spread out the community. This ultimately saves building owners money and saves the community at large from creating a perpetual stock of aging or abandoned facilities.

Central Location

Locating the facility in the center of town contributes to the ongoing sustainability of the center. Successful centers tend to be social hubs: they are centrally located in the community; they host a variety of events and programming, and are staffed by people well-liked in the community. People visited the facilities as much to socialize with other community members as to utilize the services housed within them. Multiple examples benefitted from being located adjacent to a school.

Proximity to existing village buildings and infrastructure increases the convenience and likelihood that the center will be used. If located within safe and easy walking distance of homes and other facilities, a central location improves access to those community members who travel on foot, which is common in many small communities. If the intended uses for a multi-use facility do not work out as planned, it is easier, with a central location, to adapt the building to new uses, and find new tenants or owners. A central location may also lower development costs if the community can take advantage of an existing building and/or existing public infrastructure (e.g., streets, utility hookups).

Building a new center on the periphery of town or as a means of creating an anchor for a new subdivision is risky: the presence or absence of a multi-use facility is not guaranteed to be a strong enough amenity to influence homebuyers' decisions about where to live. Locating a new public building can sometimes be used as a means to extend infrastructure (e.g., water, sewer, roads) for adjoining potential development. Extending infrastructure carries both development/capital and ongoing maintenance costs; the community should be prepared to bear these regardless of where a multi-use facility is located.

Case studies/examples: Togiak old school renovation, City of Kachemak Fire Hall, Quinhagak Youth and Multi-Purpose Center, McNeil Canyon Fire Station and Community Hall

Program-Driven, Efficient, Flexible Design

Programs should drive facility plans and design. Designing a space around specific existing needs and programs helps ensure that a center is well-used, and often well-funded, too. While it may be tempting to convert the entire existing facility into space for community uses that will not generate much income (e.g., youth center, cultural events space), eliminating the revenue-generating uses of the facility (e.g., clinic, guest rooms) could have dire consequences for the center, if replacement funding is not secured.

At the same time, building uses may change over time. Flexible building design allows facility managers to adapt to the changing needs of the community and react to changes in the local economy. This type of design provides better long-term financial prospects for the facility. And investing in energy-efficient design also contributes to long-term financial sustainability by minimizing utility and related operational costs. Rural community centers should generally be designed to have the smallest possible footprint that will still allow the spaces to function as needed.

Case studies/examples: Togiak Family Resource Center, King Cove Multi-Use Community Center, Minto Lakeview Lodge, Bethel Yup'iit Piciryarait Cultural Center, Library, and Museum, Quinhagak Youth and Multi-Purpose Center

Base Design on Budget

For every square foot of space added to a facility, both capital and operational costs rise. Projects that marry the design process to a business planning process have the best outcomes, as the joint process helps to prevent communities from over-designing and over-building their community centers – i.e., planning to construct more than the community can pay to build or afford to operate. It is easier to expand the facility in the future than to have to close it because was too large for the community to operate successfully in early years. Utility costs (especially heating costs) tend to be lower for smaller facilities.

Case studies/examples: Kalskag Multi-Use Community Center, North Slope Borough Telecommunications Centers, King Cove Multi-Use Community Center, City of Kachemak Fire Hall

Sustainable Design

Facilities should make use of context-appropriate, sustainable or green building design to the extent possible. This could involve using standards for green building design, such as those developed under the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) green building certification program, but these principles may need to be adapted to the arctic or sub-arctic context. The effects of climate change and potential weather extremes should also be considered in siting and designing the facility. Some rural Alaska communities, such as Newtok, are already facing the real or potential need to relocate due to the effects of changing climatic conditions that have increased flooding and erosion in the community. As energy costs rise and municipal revenue streams decline, the importance of creating sustainably-designed facilities will become increasingly important. Some of the communities interviewed report that utilities (heat and electricity) can be the single largest operations cost for the community centers.

Case studies/examples: Togiak Family Resource Center, King Cove Multi-Use Community Center, Quinhagak Youth and Multi-Purpose Center, Minto Lakeview Lodge

Local hire and/or vocational training.

During facility construction/renovation, local hiring practices can increase the economic benefit to the community, as well as give community members an increased sense of ownership of the facility. When it comes to maintaining the facility, having had some local knowledge of how it was constructed may prove to be helpful. Incorporating a local hire and/or vocational training opportunity can also broaden the pool of potential funders/partners. However, these financial, economic and workforce development benefits should not outweigh the demonstration of ongoing need and viability of the facility and the services to be housed within it.

Case studies/examples: Togiak old school renovation, Eagle Village Community Center

4. CAPITAL FINANCING

Develop a Complete Capital Funding Strategy

It can take months or years to acquire all the needed capital funding to design, construct and furnish and move into a community center facility. The longer the timeframe to secure capital funding, the greater the risks of project failure – due to changes in construction materials, fuel costs, labor wages that impact the estimated capital budget, as well as due to loss of interest and support on the part of community members, partners, project staff and funders. Capital funding should not take more than roughly one-third of the total project timeline. For example, if a community anticipates a three-year project from start to finish, the capital fundraising period should not last more than a year.

Creating a complete capital funding strategy not only helps to tighten the fundraising timeline, but also demonstrates significant likelihood of success to potential funders, and allows communities to leverage committed contributions to acquire new sources. Additionally, a coherent capital funding strategy is a roadmap to keep community center fundraising efforts focused and streamlined. Some facilities succeeded in phasing their capital project to make the overall capital campaign more manageable; however, it is generally easier to sustain the project if it is completed in a single phase.

Fewer Funders is Generally Better

Most centers surveyed in this study had a single funder that committed a significant portion (at least one-third the total capital budget) early in the fundraising process. This lends security and credibility to the project and helps to leverage any needed additional funding. Also, the fewer the funding sources, the simpler the project, so pursuing larger contributions from a small group (or even a single) funder is easier for communities. More complicated projects will likely require multiple sources of funding. Capital funding sources varied widely and included state appropriations, federal and state grants and private foundation sources. Communities should be aware that some sources of funding come with reporting requirements, outcome and evaluation or other restrictions that they must be prepared to track and provide to their funders. The landscape of funding does often change, however, and it may be in the future that obtaining smaller amounts of money from larger amounts of donors is necessary to make projects viable.

Funders as Partners

Successful communities established relationships with funding entities early in the process. Establishing close working relationships with representatives from funding organizations can help connect the community other funders and ensure that when plans change or challenges arise, that the funder will work with the community as a partner. Funding commitments from local entities (capital and operating) should be in place before asking outside funders to come to the table.

Ability to Make a Community Match

Most major funders require some kind of community matching dollars before they will help finance a project. All of the facilities reviewed included a community match in either cash or in-kind contributions or both. The match allows the local owner/manager or community to demonstrate their commitment to the project as well as their ability to help finance it.

Case studies/examples: Kalskag Multi-Use Community Center, Bethel Yup'iit Piciryarait Cultural Center, Library, and Museum

RED FLAGS

What makes a building a liability to the community? What kind of “red flags” might arise during pre-development?

The intended facility programming does not meet a real community need(s), or the facility is proposed primarily to achieve some other purpose.

The intended uses for the facility should be meeting documented, ongoing community need(s), which could be articulated in comprehensive or strategic planning, capital improvements priority lists, community wellness plans, community meeting notes, resolutions by local governing entities, and other similar documentation.

Occasionally, the intended uses for the facility are not the primary purpose of building or renovating the facility. Instead, what should be worthwhile secondary benefits of building/renovating the facility are of paramount concern to the proposer/applicant (e.g., it’s being used to extend public infrastructure for a residential development or to generate short-term construction jobs without having a plan for viable ongoing operations).

Potential users have not been identified or not involved in facility design/proposal.

User (or potential user) involvement in the project planning can be demonstrated through a description of community involvement (e.g., surveys, interviews, focus groups, community meeting discussions) and a summary of results: who are the potential users? Are they increasing or decreasing in number? Has the applicant consulted them during the process about how often they would use the facility? What would make them use (or not use) the space? For example, if the space is for offices that require confidentiality and not designed to provide that, will people use the space even if they have no other options for that particular service?

The creation of a new facility is a pre-requisite for the proposed programming.

About two-thirds of the building's operations costs should be met by a reliable stable funding source (e.g., city office, anchor tenant). In general, the building should house programming that already exists in some other location. Tenants/occupants should have a track record for being able to continue their operations, staff their programs, pay their bills, etc. Building a facility in order to create new programming is risky: Quinhagak's facility was built with the intention of providing a youth center, but the community could not sustain adequate volunteer staff to run the youth programming. Without an established, well-organized and well-used youth program, the community could not sustain the building's operating costs. Because the building was adaptable and the community was resourceful, they were able to find a new tenant for the facility that could cover operating expenses with rental income.

Related to the point above, when there is a programming need within communities (e.g., youth activities), there is a tendency to focus on construction of a physical building to meet the need, rather than on developing programming and considering if this programming can be housed within existing facilities. It is a much safer approach to develop programming and allow it to outgrow existing facilities or locations than to try to fashion an ideal building and then grow programs to fill it.

No clearly articulated roles and responsibilities where partners are involved or internally for staff who will run the facility.

For inter-agency coordination, a Memorandum of Understanding or Memorandum of Agreement is advisable during the pre-development phase. For staff who will run the facility, proposers can demonstrate that they have thought through and planned for staffing by describing how the facility will be managed, who will do what, and how those staffing positions are accounted for in the operations and maintenance plan. Roles and responsibilities can be changed as needed later on, but this should be thought out during project planning and predevelopment.

Key staff members do not have adequate skills or experience.

Community capacity is a critical factor to success. Administrative and maintenance staff: do they have a track record? Have they done anything like this before? Have they taken any training or have education that would help them? This can be demonstrated through descriptions of key staff, letters of reference, etc. Key staff can also identify and/or make a commitment to pursue relevant training opportunities as part of the funding application process. Kalskag's Tribal Administrator spoke very highly of a grants management course she took, which has enabled her to run their multipurpose facility; she also encourages her staff to take whatever training they can. Technical assistance and training as well as contracting with program and facility development experts do help a build staff capacity to succeed.

Recent staff turnover.

Recent staff turnover means that staff members are on a learning curve. New staff may be highly qualified and capable, but they are still likely to be dealing with an interruption or loss of institutional knowledge. Especially when whole departments see turnover around the same time, it is advisable to inquire about what circumstances led to the turnover. If staff turnover happens too frequently the project is likely to be delayed, funding and important institutional knowledge may be lost along the way.

Applicants have no plan for operations and maintenance.

The community does not want to have to pay for utilities with community fundraisers. Even if the operating costs are to be absorbed into existing City/Tribe/organization's facilities, applicants should be able to demonstrate that they have some knowledge of how much it will cost and how to staff building maintenance and operations. The applicant may have an operating and maintenance plan and budget.

Applicants tend to overestimate rental income.

Ideally, applicants will be able to negotiate firm or provisional lease agreements with longer-term tenants during predevelopment. Applicants could also obtain information on comparable rents in other similar communities, and obtain at least a letter of interest or conditional commitment from prospective tenants. For uses such as lodging, the applicant should note whether other lodging options exist in the community, what those charge, and how booked they are. For meeting spaces, are there other meeting spaces in the community? How well are they used? Do they charge rental fees? If so, how much?

Facility is proposed in a location with no existing infrastructure

It may not necessarily be a problem if the facility is proposed in a location with no existing infrastructure, but it is worth looking into the situation further. Locating a new public building can sometimes be used as a means to extend infrastructure (e.g., water, sewer, roads) for adjoining potential development. Extending infrastructure carries both development/capital and ongoing maintenance costs; the community should be prepared to bear these regardless of where a multi-use facility is located.

The facility is very large and/or has highly specialized spaces.

Large or highly specialized spaces are challenging, though some communities are making it work (e.g., Kalskag, King Cove). Most of the communities interviewed had the greatest ongoing success maintaining a facility in the range of 4,000-8,000 square feet. Larger spaces, such as a gym or swimming pool, tend to have particularly high operating and maintenance costs, especially for utilities. Is the space warranted? Are there commitments from users/tenants? Has the design minimized heating and electricity use? If the design proposes highly specialized uses that are not easily reconfigured for some other use, is the tenant/use stable and committed enough to warrant them (e.g., clinic)?

Community's population is changing.

Populations rise and fall, so it is worthwhile to look into the picture more deeply. Population decrease could be a minor temporary trend or it could be an indication that the facility does not have adequate projected users and won't be able to maintain over time. If the population is growing, is this a long term trend? Are there enough jobs and subsistence resources in the area to sustain the population increase locally or are many of those people going to move in search of other opportunities, driving population back down in several years? Are there environmental factors that could cause the village (or some part of the village) to be relocated (if this is not already part of a village relocation effort)? While every case is unique and deserves due consideration, a community with less than about 100 residents is likely to have difficulty sustaining a dedicated community center.

The community cannot afford to maintain adequate insurance coverage or a repair and replacement reserve fund.

Rural Alaska's weather can be harsh. In many areas catastrophic events such as wildland fires, earthquakes, tsunamis, floods, coastal erosion and avalanches are very real threats. Vandalism and arson is not unknown in rural communities. These factors combined with the remoteness of many communities from adequate emergency response leads to increased chances that facilities in rural Alaska will be damaged or ruined beyond repair. Without a plan to repair to replace facilities communities face the possibility that if a building is damaged, it may never be repaired or replaced, which in turns hurts their funding opportunities for future endeavors.

The proposed owner/manager has misused funds in the past or failed to meet funding requirements.

Communities with a past record of failure present a high risk to funders.

Projects take too long, or not long enough.

The length of time it should take to create a community center from the very first stages of assessing the project's feasibility to the final move in and ribbon cutting should be about 3-5 years. There are many factors that might influence this timeline, legitimately shortening or lengthening the process. However, communities that try to rush project timelines tend to leave out critical steps. Likewise, a project that extends over a longer period tends to lose momentum, most likely an outgrowth of the project missing key elements for success.

Without a plan to repair to replace facilities communities face the possibility that if a building is damaged, it may never be repaired or replaced, which in turns hurts their funding opportunities for future endeavors.

	Minimum Thresholds	Additional Characteristics	Documentation	Outcomes	
COMMUNITY CAPACITY	• Documented need • Users = 100 people • Existing administrative and leadership capacity • Partner interest • Documented community priority	• Entrepreneurial Leadership • Core group of people committed to project development • Willingness to receive training, technical assistance, hire professional support	FEASIBILITY STUDY	• Designated owner/manager leading project development	COMPLETED COMMUNITY CENTER PROJECT
OPERATIONS & PROGRAMMING	• Existing programs • Anchor tenant	• Mix of tenants and revenue-generating spaces - OR - • Public building financed with public money • Paid program staff	BUSINESS PLAN	• Signed MOAs • Secured operational funding • Established programming	
BUILDING & SITE DESIGN	• Identified owner/manager • Available property	• Central location • Flexible Design • Smallest possible footprint • Mix of uses – e.g., office space, multi-use space and specialized spaces • Energy efficient/sustainable design	PRELIMINARY DESIGN DOCUMENTS	• Site control • Final design documents	
CAPITAL FINANCING	• Ability to community match • Ability to manage grants and reporting	• One-third of capital budget secured from single source	CAPITAL STRATEGY AND PROJECT WORK PLAN	• Secured capital funding	
← 3-5 YEARS →					

COMMUNITY CENTER ASSESSMENT CHECKLIST

The following factors can help assess community readiness to undertake and succeed at establishing a community center. All of these factors are demonstrable. There are some less tangible factors – e.g., the resourcefulness of the facility manager – that contribute to success which are not included here.

Capacity

- ☐ The community has expressed a clear desire for a community center with a unified voice (i.e., through a visioning or planning process).
- ☐ There are existing community programs that require space to operate (and there is currently no available suitable space).
- ☐ There are documented unmet community needs that require space to operate (and there is currently no available suitable space).
- ☐ The community's population is steady or increasing.
- ☐ The community has examined recent demographic data that supports the need for a community center.
- ☐ The community has articulated at least some of the specific uses for the community center.
- ☐ These uses are related to the general health and welfare of the entire community or significant portions of the population.
- ☐ The community understands that facility development is a multi-year process.
- ☐ A clear lead organization or community group exists that will take responsibility for the project.
- ☐ The lead organization or community group has strong administrative capacity, i.e., staff (preferably paid) that can administer the project for at least one year.
- ☐ The lead organization has proven ability to manage contracts, grants and/or programs.
- ☐ The lead organization has up-to-date, functioning IT and communications systems.
- ☐ The lead organization has proven ability to manage other existing facilities.
- ☐ The lead organization has strong working relationships with user groups and partners.
- ☐ The lead organization has low staff turnover rates.
- ☐ The lead organization has worked successfully with the community on past projects.
- ☐ The lead organization has taken steps to assess the feasibility of the project and/or understands the pre-development process.
- ☐ The lead organization has good relationships with funders.
- ☐ The lead organization has a demonstrated understanding of the timeframe and resources needed to complete the project.
- ☐ Partner organizations have been contacted and have demonstrated support for the project.

Operations and Programming

- ☐ There is secured operational funding for the entire facility.
- ☐ There is an adequate amount of paid staff to manage and operate the facility.
- ☐ Partners are demonstrably committed to the project.
- ☐ Programming is well developed and programs are adequately staffed.

Building and Site Design

- ☐ The design is as small as possible while still performing all needed functions.
- ☐ The space design is flexible.
- ☐ There are existing or developing programs for all spaces included in the design.
- ☐ The building is centrally located within the community and/or it is near other public facilities or user groups (e.g., senior population).
- ☐ The design is tied to available operational funding.
- ☐ The design is as energy-efficient as possible.

Capital Financing

- ☐ There is a complete capital plan.
- ☐ There is committed capital funding for the entire project.
- ☐ There is a designated project manager to oversee the capital development phase (design, fundraising, construction).
- ☐ There is a realistic project timeline.

Red Flags

- ☐ Does the intended facility programming meet documented community need(s)?
- ☐ Have potential users been identified and involved in the facility design/proposal?
- ☐ Does the majority of space programming serve ***existing*** programs/organizations? Do these have the demonstrated capacity to pay rent/cost-share and carry out any other responsibilities negotiated in the lease or partnership agreement?
- ☐ Have roles and responsibilities been clearly articulated for all partners and building management staff?
- ☐ Do key staff have adequate demonstrated skills and experience? If not, are they pursuing training to bridge that gap?
- ☐ Has there been recent staff turnover?
- ☐ Are there plans for operations and maintenance?
- ☐ Are estimates of capital and operating costs and revenues realistic?
- ☐ Is the facility location served by existing infrastructure or does building the facility require new infrastructure (roads, water, sewer, etc.)?
- ☐ Is the facility unusually large (e.g., greater than 10,000 square feet) or contain highly specialized spaces (that are not easily converted to other uses)?
- ☐ Is the community's population/demographics changing, particularly for target user groups (e.g., youth, elders)? Is the community population less than about 100 residents?

A LOOK AHEAD

The shape of rural Alaskan communities has changed in many ways over hundreds of years. Yet some elements of rural life remain the same. The desire of small communities to have gathering spaces for activities that contribute to community coherence and health has remained constant: centers

ATTACHMENTS

A. COMMUNITY PROFILE DATA

B. FACILITY CASE STUDIES

C. FINANCIAL COMPARISON OF FOUR COMMUNITY CENTERS